



Report to the Auburn City Council

Action Item

Agenda Item No.

3

City Manager's Approval

To: Mayor and City Council Members
From: Shari Conley, Administrative Technical Analyst
Date: May 12, 2014
Subject: Medical Savings Plan for APOA and APSA

The Issue

As approved by City Council in 2003 and indicated in the prior and current APOA and APSA MOU, the City needs to fund the Medical Savings Plan.

Conclusion and Recommendation

Staff recommends that Council, by **RESOLUTION**, authorize the Interim City Manager to transfer \$357,288.17 from the general fund to Mid America to fund the Medical Savings Plan.

Background

Beginning in 2003 the APOA and APSA MOU's state:

The City shall establish as soon as practical a Medical Savings Plan for each employee to be used for payment of medical premiums upon retirement as outlined below.

2003- APOA and APSA employees with 10 years or more of city service the city contributed \$100.00 per month and employees with less than 10 years of city service the city contributed \$50.00 per month.

2007- APOA and APSA employees with 10 years or more of city service the city contributed \$170.00 per month and employees with less than 10 years of city service the city contributed \$120.00 per month.

2009- APOA and APSA employees with 10 years or more of city service the city contributed \$240.00 per month and employees with less than 10 years of city service the city contributed \$190.00 per month.

The monies accrued since inception are in the general fund bank account at this time and need to be moved to the Mid America annuity which will allow Mid America to handle the dispensing of the funds to employees upon retirement.

Fiscal Impact:

These funds have been set aside in the General Funds pooled cash account.

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RESOLUTION NO. 14-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN
AUTHORIZING A TRANSFER FOR THE CITY'S MEDICAL SAVINGS PLAN

THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

That the City Council of the City of Auburn hereby authorizes the Interim City Manager to transfer \$357,288.17 from the general fund to Mid America to fund the Medical Savings Plan.

DATED: May 12, 2014

Bridget Powers, Mayor

ATTEST:

Stephanie L. Snyder, City Clerk

I, Stephanie L. Snyder, City Clerk of the City of Auburn, hereby certify that the foregoing resolution was duly passed at a regular meeting of the City Council of the City of Auburn held on the 12th day of May, 2014 by the following vote on roll call:

Ayes:
Noes:
Absent:

Stephanie L. Snyder, City Clerk